



LEROY D. BACA, SHERIFF

County of Los Angeles
Sheriff's Department Headquarters
4700 Ramona Boulevard
Monterey Park, California 91754-2169



April 19, 2005

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

**AUTHORIZE THE SHERIFF TO ENTER INTO VARIOUS ENERGY
EFFICIENCY AGREEMENTS AND ACCEPT DONATED MICRO TURBINES
(ALL DISTRICTS) (3 VOTES)**

IT IS RECOMMENDED THAT YOUR BOARD:

1. Authorize the Sheriff of Los Angeles County to execute various agreements, substantially similar in form to Attachment A, with Southern California Edison (SCE), to implement energy efficiency projects in various County facilities occupied and maintained by the Sheriff's Department. This authorization includes any related agreements, amendments, modifications, or extensions that may be required to implement these projects.
2. Authorize the Sheriff to accept three (3) donated micro turbines from the Air Quality Management District (AQMD) with an approximate value of \$55,000 each.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The purpose of this recommended action is to request that the Sheriff be authorized to enter into the necessary agreements to implement various energy efficiency projects in the County facilities occupied and maintained by the Department. The attached agreement with SCE will allow the Department to install micro turbines at various facilities. These micro turbines are able to produce energy and heat, thereby reducing the reliance on purchased utilities such as electricity. To date, three (3) micro turbines

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have been tentatively identified by AQMD to be provided to the Department at no charge. The approximate value of these micro turbines is roughly \$55,000 each. All costs associated with the installation of this equipment will be paid for out of the Department's operating budget.

Implementation of Strategic Plan Goals

This request conforms to the County of Los Angeles' Strategic Plan Goal 3, Organizational Effectiveness, and Goal 4, Fiscal Responsibility. The installation of these energy efficient Micro Turbines will reduce the Department's reliance on public utilities thus making our facilities more efficient and reduce costs.

FISCAL IMPACT/FINANCING

The equipment will be donated to the Department. The installation costs associated with the equipment has been included in the Department's Fiscal Year 2004-05 budget.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The proposed agreement and Board letter have been reviewed and approved as to form by County Counsel and the Internal Services Department, Energy Management Division.

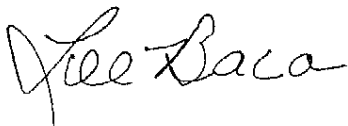
IMPACT ON CURRENT SERVICES (OR PROJECTS)

There will be no negative impact on current services within the Sheriff's Department, or any other County Department.

CONCLUSION

Upon approval by your Board, the Department requests that your Board please provide two (2) individually adopted copies of this action to the Sheriff's Department. The Department's contact for this requested Board action is Judi Thomas, Assistant Director, Facilities Services Bureau, at (626) 300-3030.

Sincerely,



LEROY D. BACA
SHERIFF



SOUTHERN CALIFORNIA
EDISON
An EDISON INTERNATIONAL Company

GENERATING FACILITY INTERCONNECTION AGREEMENT
(Non-Export)
LA County Norwalk Sheriff Station

This Generating Facility Interconnection Agreement ("Agreement") is entered into by and between The County of Los Angeles, a governmental agency ("Producer"), and Southern California Edison Company ("SCE"), a California Corporation. Producer and SCE are sometimes also referred to in this Agreement jointly as "Parties" or individually as "Party." In consideration of the mutual promises and obligations stated in this Agreement and its attachments, the Parties agree as follows:

1. SCOPE AND PURPOSE

This Agreement provides for Producer to interconnect and operate a Generating Facility in parallel with SCE's Distribution System to serve the electrical loads at the location identified in Section 2.2. This Agreement does not provide for Producer to deliver electric power to SCE's Distribution System, nor does this Agreement constitute an agreement by SCE to provide retail electrical service to Producer. Such arrangements must be made separately between SCE and Producer.

2. SUMMARY AND DESCRIPTION OF PRODUCER'S GENERATING FACILITY

2.1 A description of the Generating Facility, including a summary of its significant components and a single-line diagram showing the general arrangement of how Producer's Generating Facility and loads are interconnected with SCE's Distribution System, are attached to and made a part of this Agreement.

2.2 Name and address used by SCE to locate the Electric Service Account(s) used to interconnect the Generating Facility with SCE's Distribution System.

LA County Norwalk Sheriff Station

12700 Volunteer Ave

Norwalk, CA 90650

2.3 The Gross Nameplate Rating of the Generating Facility is 60 kW.

2.4 The Net Nameplate Rating of the Generating Facility is 56 kW.

2.5 The annual energy production of the Generating Facility is expected to be 525,600 kWh.

2.6 The Generating Facility's expected date of Initial Operation is 4/1/05. The expected date of Initial Operation shall be within two years of the date of this Agreement.

2.7 For the purpose of securing certain tariff charge exemptions available under the California Public Utilities Code, Producer hereby declares that the Generating Facility does meet the requirements for "Distributed Energy Resource Generation" as such term is used in Section 353.1 of the Public Utilities Code.

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3. DOCUMENTS INCLUDED

This Agreement includes the following exhibits, which are specifically incorporated herein and made a part of this Agreement.

- Appendix A - Description of Generating Facility and Single-Line Diagram (Supplied by Producer).
- Appendix B - (When Applicable) A Copy of an agreement addressing Interconnection Facility financing and ownership (Supplied by SCE).
- Appendix C - (When Applicable) Producer's warranty that the Generating Facility meets the requirements for "Distributed Energy Resources Generation" as defined in Section 353.1 of the California Public Utilities Code.

4. TERM AND TERMINATION

4.1 This Agreement shall become effective as of the last date entered in Section 16 of this Agreement. The Agreement shall continue in full force and effect until the earliest date that one of the following events occurs:

- (a) The Parties agree in writing to terminate the Agreement or,
- (b) Unless otherwise agreed in writing by the Parties, at 12:01 A.M. on the day following the date the electric service account through which Producer's Generating Facility is interconnected to SCE's Distribution System is closed or terminated or,
- (c) At 12:01 A.M. on the 61st day after Producer or SCE provides written Notice pursuant to Section 9 of this Agreement to the other Party of Producer or SCE's intent to terminate this Agreement.

4.2 Producer may elect to terminate this Agreement pursuant to the terms of Section 4.1(c) for any reason. SCE may elect to terminate this Agreement pursuant to the terms of Section 4.1(c) for one or more of the following reasons:

- (a) A change in applicable tariffs as approved or directed by the Commission or a change in any local, state or federal law, statute or regulation, either of which materially alters or otherwise affects SCE's ability or obligation to perform SCE's duties under this Agreement; or,
- (b) Unless otherwise agreed in writing by the Parties, Producer fails to take all corrective actions specified in SCE's Notice that Producer's Generating Facility is out of compliance with the terms of this Agreement within the time frame set forth in such Notice; or,
- (c) Producer fails to interconnect and operate the Generating Facility per the terms of this Agreement prior to 120 days after the date set forth in Section 2.6 of this Agreement as the Generating Facility's expected date of Initial Operation; or,
- (d) Producer abandons the Generating Facility. SCE shall deem the Generating Facility to be abandoned if SCE determines, in its sole opinion, the Generating Facility is non-operational and Producer does not provide a substantive response to SCE's Notice of its intent to terminate this Agreement as a result of Producer's apparent

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abandonment of the Generating Facility affirming Producer's intent and ability to continue to operate the Generating Facility.

- 4.3 Notwithstanding any other provisions of this Agreement, SCE shall have the right to unilaterally file with the Commission, pursuant to the Commission's rules and regulations, an application to terminate this Agreement.
- 4.4 Any agreements attached to and incorporated into this Agreement shall terminate concurrently with this Agreement unless the Parties have agreed otherwise in writing.

5. GENERATING FACILITY OPERATION

- 5.1 Producer is responsible for operating the Generating Facility in compliance with all SCE's tariffs, including but not limited to SCE's Rule 21, and any other regulations and laws governing the Interconnection of the Generating Facility.
- 5.2 The electric power produced by Producer's Generating Facility shall be used solely to serve electrical loads connected to the electric service account that SCE uses to interconnect Producer's Generating Facility. Producer shall not use the Generating Facility to serve electrical loads that will cause Producer to be considered an "electrical corporation" as such term is used in Section 218 of the Public Utilities Code.
- 5.3 Producer shall regulate the electric power output of Producer's Generating Facility so as to prevent the flow of electric energy from the Generating Facility to SCE's electric system. Unless otherwise agreed upon in writing by the Parties, this Agreement does not provide for, nor otherwise require SCE to receive, purchase, transmit, distribute, or store the electrical power produced by Producer's Generating Facility.
- 5.4 The Generating Facility shall be operated with all of the Producer's Protective Functions in service whenever the Generating Facility is operated in parallel with SCE's Distribution System. Any deviation from these requirements may occur only when the Parties have agreed to such deviations in writing.

6. INTERCONNECTION FACILITIES

- 6.1 Producer and/or SCE, as appropriate, shall provide Interconnection Facilities that adequately protect SCE's Distribution System, personnel, and other persons from damage or injury which may be caused by the operation of Producer's Generating Facility.
- 6.2 Producer shall be solely responsible for the costs, design, purchase, construction, operation, and maintenance of the Interconnection Facilities that Producer owns.
- 6.3 If the provisions of SCE's Rule 21, or any other tariff approved by the Commission, requires SCE to own and operate a portion of the Interconnection Facilities, Producer and SCE shall promptly execute an Agreement that establishes and allocates responsibility for the design, installation, operation, maintenance, and ownership of the Interconnection Facilities. This Agreement shall be attached to and made a part of this Agreement as Appendix B.

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7. LIMITATION OF LIABILITY

Each Party's liability to the other Party for any loss, cost, claim, injury, liability, or expense, including reasonable attorney's fees, relating to or arising from any act or omission in its performance of this agreement, shall be limited to the amount of direct damage actually incurred. In no event shall either Party be liable to the other Party for any indirect, special, consequential, or punitive damages of any kind whatsoever.

8. INSURANCE

8.1 In connection with Producer's performance of its duties and obligations under this Agreement, Producer shall maintain, during the term of this Agreement, general liability insurance with a combined single limit of not less than:

- (a) Two million dollars (\$2,000,000) for each occurrence if the Gross Nameplate Rating of Producer's Generating Facility is greater than one hundred (100) kW;
- (b) One million dollars (\$1,000,000) for each occurrence if the Gross Nameplate Rating of Producer's Generating Facility is greater than twenty (20) kW and less than or equal to one hundred (100) kW; and
- (c) Five hundred thousand dollars (\$500,000) for each occurrence if the Gross Nameplate Rating of Producer's Generating Facility is twenty (20) kW or less.
- (d) Two hundred thousand dollars (\$200,000) for each occurrence if the Gross Nameplate Rating of Producer's Generating Facility is ten (10) kW or less and Producer's Generating Facility is connected to an account receiving residential service from SCE.

Such general liability insurance shall include coverage for "Premises-Operations, Owners and Contractors Protective, Products/Completed Operations Hazard, Explosion, Collapse, Underground, Contractual Liability, and Broad Form Property Damage including Completed Operations."

- 8.2 The general liability insurance required in Section 8.1 shall, by endorsement to the policy or policies, (a) include SCE as an additional insured; (b) contain a severability of interest clause or cross-liability clause; (c) provide that SCE shall not by reason of its inclusion as an additional insured incur liability to the insurance carrier for payment of premium for such insurance; and (d) provide for thirty (30) calendar days' written notice to SCE prior to cancellation, termination, alteration, or material change of such insurance.
- 8.3 If Producer's Generating Facility is connected to an account receiving residential service from SCE and the requirement of Section 8.2(a) prevents Producer from obtaining the insurance required in Section 8.1, then upon Producer's written Notice to SCE in accordance with Section 9.1, the requirements of Section 8.2(a) shall be waived.
- 8.4 Evidence of the insurance required in Section 8.2 shall state that coverage provided is primary and is not in excess to or contributing with any insurance or self-insurance maintained by SCE.
- 8.5 Producer agrees to furnish the required certificates and endorsements to SCE prior to Initial Operation. SCE shall have the right to inspect or obtain a copy of the original policy or policies of insurance.
- 8.6 If Producer is self-insured with an established record of self-insurance, Producer may comply with the following in lieu of Sections 8.1 through 8.4:

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LA County Norwalk Sheriff Station
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- (a) Producer shall provide to SCE, at least thirty (30) calendar days prior to the date of Initial Operation, evidence of an acceptable plan to self-insure to a level of coverage equivalent to that required under Section 8.1.
- (b) If Producer ceases to self-insure to the level required hereunder, or if Producer is unable to provide continuing evidence of Producer's ability to self-insure, Producer agrees to immediately obtain the coverage required under Section 8.1.

- 8.7 All insurance certificates, statements of self insurance, endorsements, cancellations, terminations, alterations, and material changes of such insurance shall be issued and submitted to the following:

Southern California Edison Company
Attention: Director, QF Resources
2244 Walnut Grove Ave.
P.O. Box 800
Rosemead, CA 91770

9. NOTICES

- 9.1 Any written notice, demand, or request required or authorized in connection with this Agreement ("Notice") shall be deemed properly given if delivered in person or sent by first class mail, postage prepaid, to the person specified below:

If to SCE: Southern California Edison Company
Attention: Director, QF Resources
2244 Walnut Grove Avenue
P.O. Box 800
Rosemead, CA 91770
Phone: (626) 302-1212
FAX: (626) 302-9622

If to Producer: Name: Los Angeles County Sheriff's Department
Attention: Dean Stroud, Director, Facilities Services
Bureau
Address: 1000 S. Fremont Ave. A-9 East
City: Alhambra, CA 91803
Phone: (626) 300-3040
FAX: (626) 281-5061

- 9.2 A Party may change its address for Notices at any time by providing the other Party Notice of the change in accordance with Section 9.1.
- 9.3 The Parties may also designate operating representatives to conduct the daily communications, which may be necessary or convenient for the administration of this Agreement. Such designations, including names, addresses, and phone numbers may be communicated or revised by one Party's Notice to the other.
10. REVIEW OF RECORDS AND DATA
- 10.1 SCE shall have the right to review and obtain copies of Producer's operations and maintenance records, logs, or other information such as, unit availability, maintenance outages, circuit breaker operation requiring manual reset, relay targets and unusual events pertaining to Producer's Generating Facility or its interconnection with SCE's Distribution System.

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- 10.2 Producer authorizes SCE to release to the California Energy Commission (CEC) and/or the California Public Utilities Commission (Commission) information regarding the Generating Facility, including the Producer's name and location, and the size, location and operational characteristics of the generating facility, as requested from time to time pursuant to the CEC's or Commission's rules and regulations.
11. **ASSIGNMENT**
- Producer shall not voluntarily assign its rights nor delegate its duties under this Agreement without SCE's written consent. Any assignment or delegation Producer makes without SCE's written consent shall not be valid. SCE shall not unreasonably withhold its consent to Producer's assignment of this Agreement.
12. **NON-WAIVER**
- None of the provisions of this Agreement shall be considered waived by a Party unless such waiver is given in writing. The failure of a Party to insist in any one or more instances upon strict performance of any of the provisions of this Agreement or to take advantage of any of its rights hereunder shall not be construed as a waiver of any such provisions or the relinquishment of any such rights for the future, but the same shall continue and remain in full force and effect.
13. **GOVERNING LAW, JURISDICTION OF COMMISSION, INCLUSION OF SCE's TARIFF SCHEDULES, DEFINED TERMS**
- 13.1 This Agreement shall be interpreted, governed, and construed under the laws of the State of California as if executed and to be performed wholly within the State of California without giving effect to choice of law provisions that might apply to the law of a different jurisdiction.
- 13.2 This Agreement shall, at all times, be subject to such changes or modifications by the Commission as it may from time to time direct in the exercise of its jurisdiction.
- 13.3 The interconnection and services provided under this Agreement shall at all times be subject to the terms and conditions set forth in the tariffs applicable to the electric service provided by SCE. Copies of such tariffs are available at SCE's Internet site: www.sce.com or by request to SCE and are incorporated into this Agreement by this reference.
- 13.4 When initially capitalized, whether in the singular or in the plural, the terms used herein shall have the meanings assigned to them either in this Agreement or in SCE's Rule 1 or Rule 21, Section H. If any term is defined in both Rule 1 and Rule 21, the definition in Rule 21 shall prevail.
- 13.5 Notwithstanding any other provisions of this Agreement, SCE shall have the right to unilaterally file with the Commission, pursuant to the Commission's rules and regulations, an application for change in tariffs, rates, charges, classification, service, or any agreement relating thereto.

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14. AMENDMENT AND MODIFICATION

This Agreement can only be amended or modified by a written agreement signed by both Parties. SCE shall determine in its sole discretion whether prior Commission approval is required for such amendments or modifications.

15. ENTIRE AGREEMENT

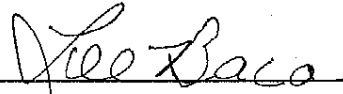
This Agreement, including any incorporated tariffs, contains the entire agreement and understanding between the Parties, their agents, and employees as to the subject matter of this Agreement. Each party also represents that in entering into this Agreement, it has not relied on any promise, inducement, representation, warranty, agreement or other statement not set forth in this Agreement or in the incorporated tariffs.

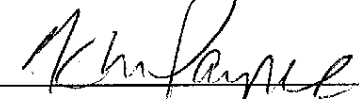
16. SIGNATURES

IN WITNESS WHEREOF, the Parties hereto have caused two originals of this Agreement to be executed by their duly authorized representatives. This Agreement is effective as of the last date set forth below.

COUNTY OF LOS ANGELES

SOUTHERN CALIFORNIA
EDISON COMPANY

By: 
Name: Leroy D. Baca
Title: Sheriff
Date: 4/6/05

By: 
Name: Kevin M Payne
Title: Director of QF Resources
Date: 3/23/05

APPROVED AS TO FORM
RAYMOND G. FORTNER, JR, County Counsel

BY 
Deputy

**GENERATING FACILITY INTERCONNECTION AGREEMENT
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**APPENDIX A
DESCRIPTION OF GENERATING FACILITY
AND SINGLE-LINE DIAGRAM,
(Provided by Producer)**



GENERATING FACILITY INTERCONNECTION APPLICATION

		11/8/04	7123
(For SCE Use Only)			

Part 2 – Identifying the Generating Facility's Location and Responsible Parties

A. Host Customer Facility Information (Where will the Generating Facility be installed?)

unit →

LA County Norwalk Sheriff Station	3-000-5669-58	P379-001048	
Name shown on SCE service account	Electric Service Account Number	Meter Number	
NOTE: If available, please also submit a copy of the host Customer facility's utility bill.			
12700 VOLUNTEER AVENUE			
12335 Civic Center Drive	Norwalk	CA	90650
Street Address	City	State	Zip

B. Contact Information (Who should be contacted for additional information, if necessary?)

Stephen Crouch	LA County-Energy Management Division
Contact Person	Company Name

323-881-3910	323-260-5237	scrouch@isd.co.la.ca.us
Phone	Fax	Email

1100 N. Eastern Ave.	Los Angeles	CA	90063
Mailing Address	City	State	Zip

Jim Nygaard	LA County-energy Management Division
Backup Contact Person (Optional)	Company Name

323-881-3987	323-260-5237	inygaard@isd.co.la.ca.us
Phone	Fax	Email

1100 N. Eastern Ave.	Los Angeles	CA	90063
Mailing Address	City	State	Zip

C. Operating Date (What date is this Generating Facility expected to begin operation?)

February 15, 2005

60 kw
56 kw

SCE GENERATING FACILITY INTERCONNECTION APPLICATION

Part 3: Describing the Generating Facility and Host Customer's Electrical Facilities

A (MP&I)	Indicate how this Generating Facility will interface with SCE's Distribution System.	1 <input checked="" type="radio"/> 2 <input type="radio"/> 3 <input type="radio"/> (Choose one)
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Instructions and Notes

Choose from the following three interface options:

1. **Parallel Operation:** The Generating Facility will interconnect and operate "in parallel" with SCE's Distribution System for more than one (1) second. ✓
2. **Momentary Parallel Operation:** The Generating Facility will interconnect and operate on a "momentary parallel" basis with SCE's Distribution System for a duration of one (1) second or less through switches or circuit breakers specifically designed and engineered for such operation.
3. **Isolated Operation:** The Generating Facility will be "isolated" and prevented from becoming interconnected with SCE's Distribution System through a transfer switch or operating scheme specifically designed and engineered for such operation.

If the answer is option 1, "parallel operation," please supply all of the information requested for the Generating Facility. Be sure to supply adequate information including diagrams and written descriptions regarding the protective relays that will be used to detect faults or abnormal operating conditions on SCE's Distribution System.

If the answer is option 2, "momentary parallel operation," only questions A, E and F of this Part 3 and questions A, B, E, F, I, L, M, N, and S of Part 4 need be answered. Be sure, however, to supply adequate information including diagrams and written descriptions regarding the switching device or scheme that will be used to limit the parallel operation period to one second or less. Please also describe the back up or protective device and controls that will trip the Generating Facility should the transfer switch or scheme not complete the transfer in one second or less.

If the answer is option 3, "Isolated Operation," only questions A, E, and F of this Part 3 and questions A, B, F, and S of Part 4 need be answered. Be sure, however, to supply adequate information including diagrams and written descriptions regarding the isolating switching device or scheme that will be used to prevent the Generating Facility from operating in parallel with SCE's Distribution System.

B	If the Answer to Question A was option 1, please indicate the type of agreement that is being requested with this Application. If options 2 or 3 were selected, please skip to questions E and F. If options 2, 3, or 4 to this question B are chosen, please provide an estimate of the monthly kWh the Generating Facility is expected to deliver to SCE's Distribution System. If SCE determines that the amount of power to be exported is significant in relation to the capacity available on its Distribution System, it may request additional information, including time of delivery or seasonal kWh estimates.	1 <input checked="" type="radio"/> 2 <input type="radio"/> 3 <input type="radio"/> 4 <input type="radio"/> (Choose one) <div style="border: 1px solid black; width: 100px; height: 20px; margin: 0 auto;"></div> kWh
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Instructions and Notes

Sample agreements are available from SCE for review. Choose from the following four Agreement options:

1. **A Generating Facility Interconnection Agreement** that provides for parallel or momentary parallel operation of the Generating Facility, but does not provide for exporting power to SCE's Distribution System. ✓
2. **A Generating Facility Interconnection Agreement** that provides for parallel operation of the Generating Facility, and the occasional, inadvertent, non-compensated, export of power to SCE's Distribution System. (This type of Agreement has not yet been developed by SCE or approved by the CPUC. Check with SCE for availability.)
3. **A "Qualifying Facility" Power Purchase Agreement** that provides for parallel operation of the Generating Facility, and exporting power to SCE's Distribution System for sale to SCE. This option is available only to "Qualifying Facilities" with a total Nameplate Capacity of 100 kW or less. See Question F for the definition of a Qualifying Facility.
4. **A Net Energy Metering Agreement** that provides for parallel operation of the Generating Facility, and exporting power to SCE's Distribution System for credit under the terms of SCE's Net Energy Metering Tariff. This option is available only to solar and wind powered Generating Facilities per the terms of Section 2827 of the California Public Utilities Code.

SCE GENERATING FACILITY INTERCONNECTION APPLICATION

<p>C If the answer to question B was option 1, please indicate the option that will be used to prevent energy from being exported to SCE's Distribution System.</p> <p>If option 3 to this question C is selected, please provide the continuous current rating of the host Customer facility's service entrance equipment (service panel size):</p> <p>If option 4 to this question C is selected, please provide the minimum load of the host Customer facility:</p>	<p>1 <input type="radio"/> 2 <input type="radio"/> 3 <input checked="" type="radio"/> 4 <input type="radio"/> (Choose one)</p> <p style="text-align: center;">800</p> <p>Amps</p> <p style="text-align: center;"> </p> <p>KW</p>
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Instructions and Notes

Refer to SCE's Rule 21, Section I.3.b for additional information as to how to answer this question. If the Generating Facility will never export power to SCE's Distribution System, a simpler, lower cost, protection scheme may be used to control the interface between the Generating Facility and SCE's Distribution System. Choose from the following four options:

1. A reverse-power protection device Function will be installed at the Point of Common Coupling (PCC) to measure any outflow of power and trip the Generating Facility or open an intertie breaker to isolate the Generating Facility if limits are exceeded. (Note! Please check with SCE before you elect this option. The required relay sensitivity levels are often difficult to achieve.)
2. An under-power protection device Function will be installed at the PCC to measure the inflow of power and trip or reduce the output of the Generating Facility if limits are not maintained.
3. The Generating Facility's interface equipment has been certified as Non-Islanding and the incidental export of power will be limited by the design of the interconnection. If this option is to be used, the continuous ampere rating of the service entrance equipment (Main Panel size) that is used by the host Customer facility must be stated in the space provided above.
4. The nameplate rating of the Generating Facility will not exceed 50% of the host Customer facility's minimum electrical load. If this option is to be used, the minimum load of the host Customer facility must be stated in the space provided above.

Note: With the approval of SCE, a Producer that wishes to retain the option to export power from a Generating Facility to SCE's Distribution System may use a different protection scheme that provides for the detection of faults and other abnormal operating conditions.

<p>D What is the maximum 3-phase fault current that will be contributed by the Generating Facility to a 3-phase fault at the Point of Common Coupling (PCC)? (If the Generating Facility is single phase in design, please provide the contribution for a line-to-line fault.)</p> <p>Please indicate the short circuit interrupting rating of the host Customer facility's service entrance ("main") panel:</p>	<p style="text-align: center;">600</p> <p>Amps</p> <p style="text-align: center;">38,400</p> <p>Amps</p>
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Instructions and Notes

Refer to SCE's Rule 21, Section D. 3. a. (2) and Section I.3.g. for significance and additional information. To determine this value, any transformers and/or significant lengths of interconnecting conductor used between the each of the Generators (if there are more than one) that make up the Generating Facility and the PCC must be taken into account. The details, impedance, and arrangement of such transformers and cable runs should be shown on the single-line diagram that is provided. Consult an electrical engineer or the equipment supplier if assistance is needed in answering this question.

It is expected that most Applicants will want to reserve the flexibility to operate any or all of their Generators in parallel. However, if the design of the proposed installation will limit the amount of generation capacity that may be interconnected at any time to SCE's Distribution System, please describe the assumptions used in calculating the maximum fault current contribution value.

SCE GENERATING FACILITY INTERCONNECTION APPLICATION

E (MP&I)	Please indicate how this Generating Facility will be operated.	1 <input checked="" type="checkbox"/> 2 <input type="checkbox"/> 3 <input checked="" type="checkbox"/> 4 <input type="checkbox"/> 5 <input type="checkbox"/> (Please choose all options that may apply.)
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Instructions and Notes

Choose from the following five operation options:

1. **Combined Heat and Power or Cogeneration** – Where the operation of the Generating Facility will produce thermal energy for a process other than generating electricity.
2. **Peak Shaving/Demand Management** – Where the Generating Facility will be operated primarily to reduce electrical demands of the host Customer facility during SCE's "peak pricing periods."
3. **Primary Power Source** -- Where the Generating Facility will be used as the primary source of electric power and that power supplied by SCE to the host Customer's loads will be required for supplemental, standby or backup power purposes only.
4. **Standby / Emergency / Backup** – Where the Generating Facility will normally be operated only when SCE's electric service is not available.
5. **Net Energy Metering** – Where the Generating Facility qualifies and receives service under SCE's Net Energy Metering tariff.

✓
PER
STEVE
CROUCH
11/8/04

F (MP&I)	Please indicate if Qualifying Facility Status will be obtained from the Federal Energy Regulatory Commission (FERC) for this Generating Facility.	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
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Instructions and Notes

Parties operating Generating Facilities complying with all of the requirements for qualification as either a small power production facility or cogeneration facility pursuant to the regulations of the Federal Energy Regulatory Commission (18 Code of Federal Regulations Part 292, Section 292.203 et seq.) implementing the Public Utility Regulatory Policies Act of 1978 (16 U.S.C.A. Section 796, et seq.), or any successor requirements for "Qualifying Facilities" may seek certification from FERC to have the Generating Facility designated as a Qualifying Facility or "QF." In summary, Qualifying Facilities are Generating Facilities using renewable or alternative fuels as a primary energy source or facilities that utilize the thermal energy given off by the generation process for some other useful purpose. QF facilities enjoy certain rights and privileges not available to non-QF Generating Facilities.

QF status is not required to interconnect and operate in parallel with SCE's Distribution System.

SCE GENERATING FACILITY INTERCONNECTION APPLICATION

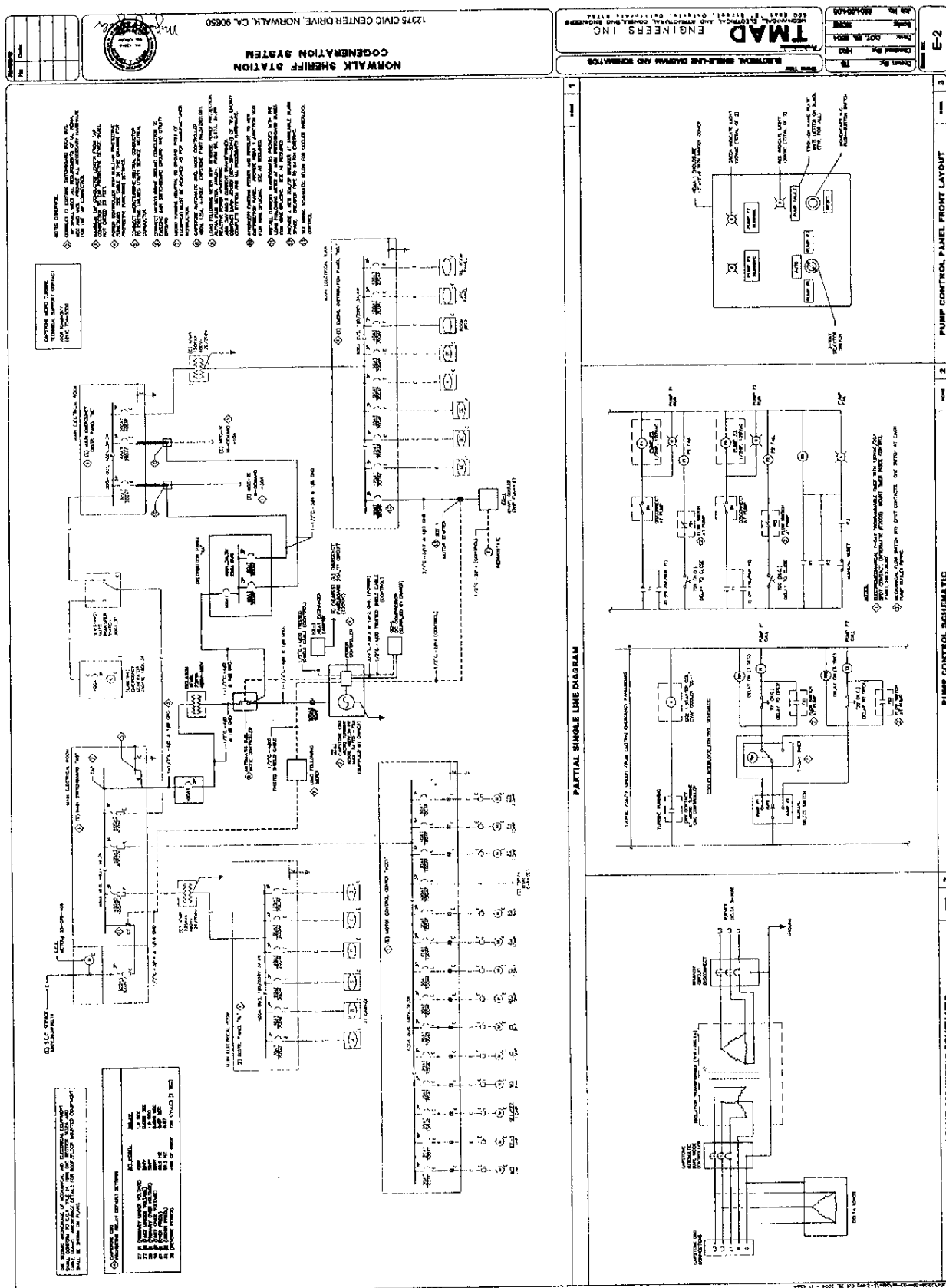
Part 4 – Describe each of the Generators (See Instructions on page 8.) Use additional sheets, if necessary.

#	Please indicate the number of each "type" of Generator being installed: (See instructions)		<input type="text"/>	<input type="text"/>	<input type="text"/>
A (MP&I)	Generator/Inverter Manufacturer (Name)	Capstone	<input type="text"/>	<input type="text"/>	
B (MP&I)	Generator/Inverter Model (Name/Number)	C60	<input type="text"/>	<input type="text"/>	
C	Generator/Inverter Software Version (Number)	Mn3.13, Gn 2.04 & inv2.06	<input type="text"/>	<input type="text"/>	
D	Is the Generator/Inverter Certified by a Nationally Recognized Testing Laboratory (NRTL) according to Rule 21?	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>	
E (MP)	Generator Design (Choose One)	Synchronous <input type="checkbox"/> Induction <input type="checkbox"/> Inverter <input checked="" type="checkbox"/>	Synchronous <input type="checkbox"/> Induction <input type="checkbox"/> Inverter <input type="checkbox"/>	Synchronous <input type="checkbox"/> Induction <input type="checkbox"/> Inverter <input type="checkbox"/>	
F (MP&I)	Gross Nameplate Rating (KVA)	83	<input type="text"/>	<input type="text"/>	<input type="text"/>
G	Gross Nameplate Rating (KW)	60	<input type="text"/>	<input type="text"/>	224 60
H	Net Nameplate Rating (KW)	56	<input type="text"/>	<input type="text"/>	224 56
I (MP)	Operating Voltage (Volts or kV)	480/277	<input type="text"/>	<input type="text"/>	
J	Power Factor Rating (%)	1 %	<input type="text"/> %	<input type="text"/> %	
K	PF Adjustment Range (%)	Min. 1 % Max. 1 %	Min. <input type="text"/> % Max. <input type="text"/> %	Min. <input type="text"/> % Max. <input type="text"/> %	
L (MP)	Wiring Configuration (Choose One)	Single-Phase <input type="checkbox"/> Three-Phase <input checked="" type="checkbox"/>	Single-Phase <input type="checkbox"/> Three-Phase <input type="checkbox"/>	Single-Phase <input type="checkbox"/> Three-Phase <input type="checkbox"/>	
M (MP)	3-Phase Winding Configuration (Choose One)	3 Wire Delta <input type="checkbox"/> 3 Wire Wye <input type="checkbox"/> 4 Wire Wye <input checked="" type="checkbox"/>	3 Wire Delta <input type="checkbox"/> 3 Wire Wye <input type="checkbox"/> 4 Wire Wye <input type="checkbox"/>	3 Wire Delta <input type="checkbox"/> 3 Wire Wye <input type="checkbox"/> 4 Wire Wye <input type="checkbox"/>	

SCE GENERATING FACILITY INTERCONNECTION APPLICATION

Part 4 Cont. - Describe each of the Generators (See Instructions.) Use additional sheets, if necessary.

N (MP)	Neutral Grounding System Used (Choose One)	Ungrounded <input type="checkbox"/> Solidly Grounded <input checked="" type="checkbox"/> Ground Resistor <input type="checkbox"/> [] Ohms	Ungrounded <input type="checkbox"/> Solidly Grounded <input type="checkbox"/> Ground Resistor <input type="checkbox"/> [] Ohms	Ungrounded <input type="checkbox"/> Solidly Grounded <input type="checkbox"/> Ground Resistor <input type="checkbox"/> [] Ohms
O	<i>For Synchronous Generators Only:</i> Synchronous Reactance: Transient Reactance: Subtransient Reactance:	[] (Xd %) [] (X'd %) [] (X''d %)	[] (Xd %) [] (X'd %) [] (X''d %)	[] (Xd %) [] (X'd %) [] (X''d %)
P	<i>For Induction Generators Only:</i> Locked Rotor Current: OR Stator Resistance: Stator Leakage Reactance: Rotor Resistance: Rotor Leakage Reactance:	[] (Amps) [] (%) [] (%) [] (%) [] (%)	[] (Amps) [] (%) [] (%) [] (%) [] (%)	[] (Amps) [] (%) [] (%) [] (%) [] (%)
Q	Short Circuit Current Produced by Generator: (Amps)	[]	[]	[]
R	<i>For Generators that are Started as a "Motor" Only</i> 1. In-Rush Current: 2. Host Customer's Service Entrance Panel (Main Panel) Continuous Current Rating:	[] (Amps) [] (Amps)	[] (Amps) [] (Amps)	[] (Amps) [] (Amps)
S (MP&I)	Prime Mover Type: (Choose One)	1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input type="checkbox"/> 4 <input checked="" type="checkbox"/> 5 <input type="checkbox"/> 6 <input type="checkbox"/> 7 <input type="checkbox"/> 8 <input type="checkbox"/> 9 <input type="checkbox"/> 10 <input type="checkbox"/> 11 <input type="checkbox"/> 12 <input type="checkbox"/> 13 <input type="checkbox"/> 14 <input type="checkbox"/> 15 <input type="checkbox"/>	1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input type="checkbox"/> 4 <input type="checkbox"/> 5 <input type="checkbox"/> 6 <input type="checkbox"/> 7 <input type="checkbox"/> 8 <input type="checkbox"/> 9 <input type="checkbox"/> 10 <input type="checkbox"/> 11 <input type="checkbox"/> 12 <input type="checkbox"/> 13 <input type="checkbox"/> 14 <input type="checkbox"/> 15 <input type="checkbox"/>	1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input type="checkbox"/> 4 <input type="checkbox"/> 5 <input type="checkbox"/> 6 <input type="checkbox"/> 7 <input type="checkbox"/> 8 <input type="checkbox"/> 9 <input type="checkbox"/> 10 <input type="checkbox"/> 11 <input type="checkbox"/> 12 <input type="checkbox"/> 13 <input type="checkbox"/> 14 <input type="checkbox"/> 15 <input type="checkbox"/>



**GENERATING FACILITY INTERCONNECTION AGREEMENT
SOUTHERN CALIFORNIA EDISON COMPANY
LA County Norwalk Sheriff Station
2697**

**APPENDIX B
(If Applicable)**

**INTERCONNECTION FACILITIES
FINANCING AND OWNERSHIP
AGREEMENT**

APPENDIX B
INTERCONNECTION FACILITIES FINANCING AND OWNERSHIP AGREEMENT
SOUTHERN CALIFORNIA EDISON COMPANY
LA County Norwalk Sheriff Station
GFID 2697

1. PARTIES:

The Parties to this Interconnection Facilities Financing and Ownership Agreement (IFFOA) are, County of Los Angeles (Producer), and Southern California Edison Company, (SCE). Producer and SCE are sometimes referred to herein individually as "Party," and collectively as "Parties."

2. RECITALS:

- 2.1 Producer has applied to acquire, operate, and control a 60 kW (Gross Nameplate capacity) Generating Facility that will be operated in parallel with SCE's Distribution System. Said Generating Facility is described in Section 2 of the Generating Facility Interconnection Agreement ("GFIA") between the Parties to which this IFFOA is attached. SCE has assigned the Generating Facility identification number "GFID 2697" to this facility.
- 2.2 The electrical facilities described in Attachment A, attached hereto, are required to connect Producer's Generating Facility to the SCE Distribution System pursuant to SCE's Tariff Rule No. 21. Such electrical facilities are hereinafter referred to as "Interconnection Facilities" or "Added Facilities" depending on the financing and ownership arrangements selected by the Parties.
- 2.3 Pursuant to SCE's Tariff Rule No. 21 all or a portion of the Interconnection Facilities may be provided by SCE as "Added Facilities" as defined in SCE's Tariff Rule No. 2.H.
- 2.4 The Parties' respective scopes of work, costs and ownership responsibilities for the Interconnection Facilities are identified in Attachment A, attached hereto.

3. AGREEMENT:

The Parties agree as follows:

- 3.1 Unless otherwise defined herein, initially capitalized terms shall have the same meanings as defined in the GFIA.
- 3.2 The Parties agree to one or more of the arrangements as indicated in this Section 3.2 for the financing, design, installation, operation, maintenance, and ownership of the Interconnection Facilities described in Attachment A, attached hereto.

SCE-Financed¹

NO 3.2.1 SCE, at Producer's expense, shall finance, install, own, operate, and maintain all or a portion of the Interconnection Facilities described as "SCE-Financed Added Facilities" in Attachment A, attached hereto; and/or

Producer-Financed.

☒ YES 3.2.2 SCE, at Producer's expense, shall install, own, operate, and maintain all or a portion of the Interconnection Facilities described as "Producer-Financed Added Facilities" in Attachment A, attached hereto; and/or

//

¹ (NOTE: Pursuant to Edison's tariffs, SCE may only finance "removable" facilities. Additionally, SCE-Financed Added Facilities are available to SCE's customers at SCE's sole discretion.

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Producer-Constructed and Conveyed

NO 3.2.3 Producer shall finance, install, and transfer ownership of all or a portion of the Interconnection Facilities described as "Producer Constructed and Conveyed Interconnection Facilities" in Attachment A attached hereto, to SCE for SCE to own, operate, and maintain at Producer's expense as "Producer-Financed Added Facilities"; and/or

Producer-Constructed and Owned

☒ YES 3.2.4 Producer shall finance, install, own, operate, and maintain all or a portion of the Interconnection Facilities described as "Producer-Constructed and Owned Interconnection Facilities" in Attachment A, attached hereto.

4. TERM AND TERMINATION:

- 4.1 This IFFOA shall be binding upon execution by the Parties and shall remain in effect until terminated by (1) either Party on at least thirty (30) days advance written notice or (2) the end of the 20 year term provided under Sections 6.2 and/or 7.3 herein or (3) termination of the GFIA to which this IFFOA is attached. Upon termination, Producer shall pay all costs and charges incurred to the date of termination pursuant to Section 10.10 herein, including but not limited to charges for engineering, surveying, right-of-way and easement acquisition expenses or any other expense incurred by SCE for the Producer, even if the Interconnection Facilities have not been installed.
- 4.2 Producer agrees to utilize all Added Facilities described in Attachment A, attached hereto, in accordance with good operating practice. If Producer fails to so utilize said Interconnection Facilities, SCE may terminate this IFFOA, remove the Added Facilities, and Producer shall be subject to the Termination Charge pursuant to Section 10.10 herein.

5. PROJECT DEVELOPMENT MILESTONES:

[This section is not applicable to this Agreement and has been intentionally omitted.]

6. INTERCONNECTION FACILITIES PROVIDED AS SCE-FINANCED ADDED FACILITIES:

[This Section is not applicable to this Agreement and has been intentionally omitted.]

7. INTERCONNECTION FACILITIES PROVIDED AS PRODUCER-FINANCED ADDED FACILITIES:

If the Parties have agreed to provide all or a portion of the Interconnection Facilities pursuant to the provisions of Section 3.2.2 herein, the following shall apply for that portion of the Interconnection Facilities specified in Attachment A, attached hereto, as "Producer-Financed Added Facilities."

- 7.1 SCE shall, pursuant to SCE's Tariff Rule No. 21, engineer, design, procure equipment and materials, construct, install, own, operate, and maintain the Producer-Financed Added Facilities.
- 7.2 Producer shall pay to SCE in advance of construction, the estimated Total Installed Cost of said Producer-Financed Added Facilities, as set forth in Attachment A, attached hereto, as may be revised pursuant to Sections 10.2 and/or 10.3, herein. If applicable, said cost shall include the estimated Income Tax Component of Contributions (ITCC), pursuant to SCE's Preliminary Statement as filed with the Commission and as may be revised from time to time.
- 7.3 In addition to the payment required under Section 7.2 herein, Producer shall pay a charge based on (1) the Added Facilities Investment in Producer-Financed Added Facilities as set forth in Attachment A, attached hereto, as may be revised pursuant to

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Sections 10.2 and/or 10.3 herein, and (2) the monthly rate established for the replacement coverage option for "Customer-Financed Added Facilities" selected in this Section 7.3 as set forth in SCE's Rule No. 2.H as filed with the Commission and as may be revised from time to time. Whenever Added Facilities are replaced, the Added Facilities Investment amount used as the basis for determining the charge Producer pays SCE shall be subject to the conditions set forth in Section 10.6 or 10.7 herein. Producer hereby selects a replacement coverage option for Producer-Financed Added Facilities as follows:

YES (a) Replacement Coverage into Perpetuity

Under this option, Producer shall pay to SCE, at SCE's sole option, either (SCE to select one):

NO (1) A Monthly Charge determined by SCE based upon an initial monthly rate of 0.45 % times the Added Facilities Investment amount; or,

YES (2) A One-Time Payment determined by SCE representing the present value of the sum of the Monthly Charges for the Added Facilities Investment amount.

NO (b) Replacement Coverage with 20-Year Term

Under this Option, for a term of 20 years beginning with the date said Added Facilities are first made available for Producer's use, Producer shall pay to SCE a Monthly Charge determined by SCE based upon an initial monthly rate of 0.36 % times the Added Facilities Investment amount. At the end of the 20-year term, this IFFOA shall terminate. If the Parties elect to continue to utilize the Added Facilities past the term of this IFFOA, Producer and SCE may execute a new Added Facilities Agreement. If such an agreement is formed, a revised Added Facilities investment amount shall be determined by SCE on a RCNLD basis.

NO (c) Without Replacement Coverage

Under this option, Producer shall pay SCE a Monthly Charge determined by SCE based upon an initial monthly rate of 0.34 % times the Added Facilities Investment amount.

8. INTERCONNECTION FACILITIES PROVIDED AS PRODUCER-CONSTRUCTED AND CONVEYED INTERCONNECTION FACILITIES:

[This Section is not applicable to this Agreement and has been intentionally omitted.]

9. INTERCONNECTION FACILITIES PROVIDED AS PRODUCER-CONSTRUCTED AND OWNED INTERCONNECTION FACILITIES:

If the Parties have agreed to provide all or a portion of the Interconnection Facilities pursuant to the provisions of Section 3.2.4 herein, Producer is subject to the following for that portion of the Interconnection Facilities specified in Attachment A, attached hereto, as "Producer-Constructed and Owned Interconnection Facilities:"

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- 9.1 At Producer's expense, Producer shall finance, engineer, design, acquire equipment and materials, construct, obtain rights-of-way as necessary, install, own, lease or rent, operate, and maintain the Producer-Constructed and Owned Interconnection Facilities. Said Interconnection Facilities shall be engineered, designed and constructed to be compatible with SCE's Distribution System and in accordance with SCE's Tariff Rule No. 21, as applicable.
- 9.2 SCE shall, at Producer's expense, review Producer's design and require modifications that SCE reasonably determines necessary to assure compatibility with SCE's electrical system and assure SCE system integrity.
- 9.3 Producer shall notify SCE at least thirty (30) days prior to the parallel operation of Producer's Generating Facility and SCE shall have the right to inspect the Producer-Constructed and Owned Interconnection Facilities and shall notify Producer of any deficiencies within five days after inspection. Producer must correct any deficiencies prior to parallel operation of the Generating Facility.

10. INTERCONNECTION FACILITIES BILLING:

- 10.1 Producer shall pay to SCE in advance of any construction by SCE, any one-time costs (including, when applicable, the Income Tax Component of Contribution (ITCC), pursuant to SCE's Preliminary Statement as filed with the Commission and as may be changed from time to time) to rearrange existing facilities and/or to provide facilities normally installed by the Producer as set forth in Attachment A, attached hereto, as "One-Time Costs for Equipment or Services Provided by SCE for Producer."
- 10.2 Unless otherwise agreed in writing, the costs and charges paid by Producer pursuant to Sections 6.2, 7.2, 7.3, 8.2, 8.4, 8.7, 9.2, 10.1, and 10.10 herein shall initially be based upon estimated costs. When the recorded book costs have been determined by SCE, the costs and charges paid by Producer under this IFFOA shall be revised to be based upon such recorded costs and adjusted retroactively to the date when service was first available by means of such Added Facilities. By executing this IFFOA, Producer has been informed and understands SCE's determination of recorded book cost is often delayed and that unless otherwise agreed, retroactive adjustments resulting from such determination may occur at anytime during the term of this IFFOA. All amounts billed under this IFFOA, unless other terms are mutually agreed upon, shall be payable to SCE within thirty (30) days from the date of presentation of a bill. Any credits resulting from such adjustments will, unless other terms are mutually agreed upon, be refunded to Producer.
- 10.3 SCE shall have the right to revise the initial estimated costs and bill Producer using such revised estimated costs during the period preceding determination of the recorded book costs. SCE shall indicate such revisions on Attachment A, attached hereto, or a superseding Exhibit A and provide a copy to Producer. SCE shall commence billing the costs and charges paid by Producer pursuant to this IFFOA using such revised estimate not earlier than 30 days from the date the revised estimate is provided to Producer.
- 10.4 Pursuant to SCE's Tariff Rule No. 21, as an alternative to the estimated basis described in Sections 10.2, and 10.3 herein, SCE shall provide, at Producer's written request, a binding estimate of the Added Facilities Investment values which shall be used to determine Producer's payments under this IFFOA, except as such payments may be adjusted pursuant to Section 10.6 herein. Said binding estimate shall be valid for a period of one year from the date such estimate is provided to Producer.
- 10.5 The Monthly Charge to be paid by Producer pursuant to Sections 6.2 and 7.3 herein, shall automatically increase or decrease without formal amendment to this IFFOA if the Commission subsequently authorizes a higher or lower percentage rate in the calculation

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- of the costs of ownership for Added Facilities as stated in Rule No. 2.H, effective with the date of such authorization. Further, the revised costs of ownership shall also be used to determine the unamortized balance of the One-Time Payment described in Sections 6.2(a) and 7.3(a) and owed to SCE due to termination of service, termination of this IFFOA, or otherwise.
- 10.6 If it becomes necessary for SCE to alter or rearrange the Added Facilities including, but not limited to, the conversion of overhead facilities to underground, Producer shall be notified of such necessity and shall be given the option to either terminate this IFFOA in accordance with Sections 4 and 10.9 herein, or to pay to SCE additional amounts consisting of:
- (a) Revised costs and charges based on the total net additional installed cost of all new and remaining Added Facilities. Such revised costs and charges shall be determined, as applicable, in the same manner as described in Sections 6.2 and 7.3 herein; plus
 - (b) An additional payment of ITCC, and/or one-time cost, if any, for any new Added Facilities which shall be determined in the same manner as described in Sections 7.2 and 10.1 herein; plus
 - (c) The cost to remove any portion of the Added Facilities that are no longer necessary because of alteration or rearrangement, such charge is to be determined by SCE in the same manner as described in Section 10.9 herein.
- 10.7 Whenever Added Facilities are replaced due to damage (caused by other than the Producer's intentional or negligent conduct) or equipment failure and Producer has selected replacement coverage pursuant to Sections 6.2(a) or (b) and/or Sections 7.3(a) or (b) herein, such replacement will be at SCE's expense with no change in the Added Facilities Investment amount.
- 10.8 Whenever Added Facilities are replaced (1) due to damage or equipment failure and Producer has selected the "Without Replacement Coverage" option pursuant to Sections 6.2(c) and/or 7.3(c) herein, or (2) due to Producer's increased load or generation levels, as determined by SCE, or (3) Producer's intentional or negligent conduct, such replacement will be made by SCE at the Producer's expense, including any applicable ITCC. Any additional amounts due to SCE as a result of such replacement shall be payable by the Producer to SCE within thirty (30) days from the date of presentation of a bill. If such replacement results in a change in the Added Facilities Investment, the Monthly Charges will be adjusted based on the revised added investment amount effective with the date the replaced Added Facilities are first available for Producer's use. Except that, where the replacement of Added Facilities is solely required for SCE's operating convenience or necessity or because of damage caused by the sole negligence or willful act of SCE, no increase shall be made in the Added Facilities Investment amount or the Monthly Charge.
- 10.9 Except as otherwise provided in this IFFOA, SCE shall have the right to charge Producer under the terms and conditions of this IFFOA commencing with the date SCE, in its sole opinion, determines the Added Facilities are available for Producer's use.
- 10.10 Upon discontinuance of the use of any Added Facilities due to termination of service, termination of this IFFOA, or otherwise:
- (a) Producer shall pay to SCE on demand (in addition to all other moneys to which SCE may be legally entitled by virtue of such termination) a Termination Charge defined as the costs estimated, subject to Sections 10.2 and 10.3, herein, by SCE to install and/or remove said facilities, less the estimated salvage value of the Added Facilities to be removed. Commencing in the sixteenth (16) year after

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the date service is first rendered by means of said Added Facilities, the Termination Charge shall be reduced by 20 percent each year until the total Termination Charge is zero.

- (b) SCE shall be entitled to remove and shall have a reasonable time in which to remove any portion of the Added Facilities located on the Producer's property.
 - (c) SCE may, at its option, alter, rearrange, convey, or retain in place any portion of the Added Facilities located on property other than Producer's property. Where all or any portion of the Added Facilities located on property other than Producer's property are retained in place and used by SCE to provide permanent service to other customers, the facility Termination Charge described in Section 10.10(a), herein, shall be reduced by the recorded installed cost of the retained facilities.
- 10.11 SCE may, at its sole discretion at any time during the term of this IFFOA, require Producer to provide and maintain a performance bond, a letter of credit, an escrow account, or other security, to SCE's satisfaction, securing to SCE the payment of the Facility Termination Charge described in Section 10.10, herein. Producer's Failure to provide such security to SCE's satisfaction shall result in termination of this IFFOA.
- 10.12 Producer shall not be required to pay the Termination Charge specified in Section 10.10, herein if termination of the use of the Interconnection Facilities is caused solely by SCE. Termination pursuant to Section 4.2 herein or Section 4.1 of the GFIA shall be deemed not to have been caused solely by SCE.
- 10.13 Should any amount billed pursuant to this IFFOA not be paid by Producer, SCE shall at any time be entitled to collect such amounts through an offset against any amount SCE may owe to Producer.

11. GENERAL PROVISIONS:

- 11.1 Producer's option to construct and own all of the Interconnection Facilities as "Producer-Constructed and Owned Interconnection Facilities" is limited to Interconnection Facilities that will interconnect with the SCE Distribution System at voltages of 35 kV and below. For interconnections at voltages above 35 kV, SCE shall, at its option, own and operate the last interfacing protection devices separating Producer's facilities from SCE's Distribution System. However, in such case, Producer shall have the option to provide and transfer ownership of such interfacing facilities to SCE, pursuant to Section 8 herein.
- 11.2 SCE shall not be obligated to begin construction of Added Facilities prior to Producer's payment of all moneys due as described in Sections 6.2(a)(2), 7.2, 7.3(a)(2), 10.1, and 10.10 herein.
- 11.3 Where it is necessary to install Added Facilities on Producer's property, Producer hereby grants to SCE (a) the right to make such installation on Producer's property including installation of a line extension along the shortest practical route thereon and (b) the right of ingress to and egress from Producer's property as determined by SCE in its sole discretion for any purpose connected with the operation and maintenance of the Added Facilities. Producer shall provide rights-of-way or easements of sufficient space to provide legal clearance from all structures now or hereafter erected on Producer's property for any facilities of SCE.
- 11.5 Where formal rights-of-way or easements are required in, on, under, or over Producer's property or the property of others for the installation of the Added Facilities, SCE shall not be obligated to install the Added Facilities unless and until any necessary permanent rights-of-way or easements, satisfactory to SCE, are granted without cost to SCE. Upon termination of this IFFOA in accordance with Section 4, SCE shall quitclaim all

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easements and rights of way in, on, under, and over Producer's property, which are, as determined by SCE in its sole discretion, no longer required by SCE due to the removal of its Added Facilities.

- 11.6 SCE shall not be responsible for any delay in completion of the installation of the Added Facilities including, but not limited to, delays resulting from shortage or labor or materials, strike, labor disturbances, war, riot, weather conditions, governmental rule, regulation, or order, including orders or judgments of any court or commission, delay in obtaining necessary rights-of-way and easements, act of God, or any other cause or condition beyond control of SCE. SCE shall have the right in the event it is unable to obtain materials or labor for all of its construction requirements, to allocate materials and labor to construction projects which it deems, in its sole discretion, most important to serve the needs of its customers, and any delay in construction hereunder resulting from such allocation shall be deemed to be a cause beyond SCE's control.
- 11.7 Added Facilities provided hereunder shall at all times remain the property of SCE.
- 11.8 This IFFOA supplements the appropriate application and contract(s) for electric service presently in effect between the Parties.
- 11.9 Producer may assign this IFFOA only with SCE's written consent. Such consent shall not be unreasonably withheld. Such assignment shall be deemed to include, unless otherwise specified therein, all of Producer's rights to any refunds, which might become due upon discontinuance of the use of any Added Facilities.

12. GOVERNING LAW

This IFFOA shall be interpreted, governed, and construed under the laws of the State of California as if executed and to be performed wholly within the State of California and shall, to the extent provided by law, at all times be subject to applicable tariff rules and modification of such rules as directed by the California Public Utilities Commission in the exercise of its jurisdiction.

13. SIGNATURES

IN WITNESS WHEREOF, the Parties hereto have caused two originals of this IFFOA to be executed by their duly authorized representatives. This IFFOA is effective as of the last date set forth below.

COUNTY OF LOS ANGELES

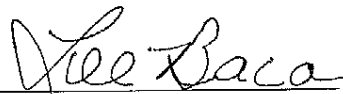
By: _____

Name: _____

Title: _____

Date: _____

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Leroy D. Baca

Sheriff

4/6/05

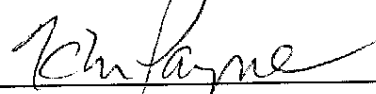
**SOUTHERN CALIFORNIA
EDISON COMPANY**

By: _____

Name: _____

Title: _____

Date: _____



Kevin M. Payne

Director of QF Resources

3/23/05

APPROVED AS TO FORM
RAYMOND G. FORTNER, JR, County Counsel

BY _____

Deputy

ATTACHMENT A TO APPENDIX B
INTERCONNECTION FACILITIES FINANCING AND OWNERSHIP AGREEMENT
SOUTHERN CALIFORNIA EDISON COMPANY
LA County Norwalk Sheriff Station
2697

1. **Added Facilities Investment for Producer- Financed Facilities**
(Provided per Section 3.2.2)

	Interconnection Facilities Component	Original Estimate	Revised Estimate	Recorded Cost	Firm Price (per 10.4)
A.	Provide and install Incremental Demand Read (IDR) kWh/kW metering, to measure net energy output of Producer's Generator	\$560.00			
B.	Total Added Facilities Investment	\$560.00			
C.	Income Tax Component of Contribution (ITCC) (35%)	\$196.00			
D.	One-Time Payment representing the present value of the sum of the Monthly Charges for the Added Facilities Investment amount (56.86%)	\$318.41			
E.	Total Amount to be Advanced by Producer (B.+ C.+ D.)	\$1,074.41			

2. **Estimated Termination Charge Applicable to Producer-Financed Facilities**

	Original Estimate	Revised Estimate
Removal Costs	\$ 1000	

Note: While there are no Security Deposit Requirements for the potential cost of removing Producer-Financed Facilities, Producer is responsible for such costs, subject to the reductions that occur during the 16th through 20th years.

3. **Description of Producer - Constructed and Owned Facilities** (Provided per Section 3.2.4)

Interconnection Facilities Component
a. All generating unit protective relays, controls and switchgear.

Note: Cost information need not be provided for Producer-Constructed and Owned Facilities.

**GENERATING FACILITY INTERCONNECTION AGREEMENT
SOUTHERN CALIFORNIA EDISON COMPANY'
LA County Norwalk Sheriff Station
2697**

**APPENDIX C
(If Applicable)**

**PRODUCER'S WARRANTY THAT THE GENERATING FACILITY IS A "DISTRIBUTED ENERGY
RESOURCES GENERATION" FACILITY PURSUANT TO SECTION 353.1 OF THE
CALIFORNIA PUBLIC UTILITIES CODE**

For the purpose of securing the tariff charge exemption available under Section 353.3 of the California Public Utilities Code, Producer hereby declares that the Generating Facility meets the requirements for "Distributed Energy Resources Generation" as such term is used in Section 353.1 of the California Public Utilities Code ("DERG Requirements").

Producer warrants that, beginning on the date of Initial Operation and continuing throughout the term of this Agreement, its Generating Facility shall continue to meet the DERG Requirements. If Producer becomes aware that the Generating Facility has ceased to meet the DERG Requirements, Producer shall promptly provide SCE with Notice of such change pursuant to Section 9.1 of the Agreement. If at any time during the term of this Agreement SCE determines in its sole discretion that Producer's Generating Facility may no longer meet the DERG Requirements, SCE may require Producer to provide evidence that the Generating Facility continues to meet the DERG Requirements within 15 business days of SCE's request for such evidence. Additionally, SCE may periodically (typically, once per year) inspect Producer's Generating Facility and/or require documentation from Producer to monitor the Generating Facility's compliance with the DERG Requirements. If SCE determines in its sole judgment that Producer either failed to provide evidence in a timely manner or that it provided insufficient evidence that its Generating Facility continues to meet the DERG Requirements, then the Distributed Energy Resources Generation status of the Generating Facility shall be deemed ineffective until such time as Producer again demonstrates to SCE's reasonable satisfaction that the Generating Facility meets the requirements for a Distributed Energy Resources Generation facility (the "DERG Status Change").

SCE shall revise its records and the administration of this Agreement to reflect the DERG Status Change and provide Notice to Producer of the DERG Status Change pursuant to Section 9.1 of this Agreement. Such Notice shall specify the effective date of the DERG Status Change. This date shall be the first day of the calendar year for which SCE determines in its sole discretion that the Generating Facility first ceased to meet the DERG Requirements. SCE shall invoice the Producer electric Service Account through which the Generating Facility is interconnected with SCE's Distribution System for any tariff charges that were not previously billed during the period between the effective date of the DERG Status Change and the date of the Notice in reliance upon Producer's representations that the Generating Facility complied with the DERG Requirements and therefore was eligible for the exemption from tariff charges available under Section 353.3 of the California Public Utilities Code.

Any amounts to be paid or refunded by Producer, as may be invoiced by SCE pursuant to the terms of this warranty, shall be paid to SCE within 30 days of Producer's receipt of such invoice.